

**ASSEMBLY BILL**

**No. 1555**

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**Introduced by Assembly Member Norby**

January 26, 2012

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An act to add Section 33601.5 to, and to repeal Article 4.4 (commencing with Section 33354.7) of Chapter 4 of Part 1 of Division 24 of, the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1555, as introduced, Norby. Redevelopment: debt forgiveness.

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in specified communities to address the effects of blight, as defined. Existing law imposes notice requirements on a redevelopment agency with respect to the forgiveness of debts and loans owed to an agency by a public body.

This bill would repeal the provisions of law with respect to redevelopment agency forgiveness of debts and loans. The bill would prohibit an agency from forgiving the repayment of a loan, advance, or indebtedness that is owed by a public body to the agency.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Article 4.4 (commencing with Section 33354.7)
- 2 of Chapter 4 of Part 1 of Division 24 of the Health and Safety Code
- 3 is repealed.
- 4 SEC. 2. Section 33601.5 is added to the Health and Safety
- 5 Code, to read:

- 1     33601.5. Notwithstanding any other law, an agency shall not
- 2     forgive the repayment, wholly or partially, of a loan, advance, or
- 3     indebtedness that is owed by a public body to the agency.